BEFORE

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 93-504-C - ORDER NO. 94-427 MAY 11, 1994

| ΙN | RE: | Investigation | of Level | of | Earnings |) | ORDER |
|----|-----|---------------|----------|----|----------|---|-------------|
| | | of GTE South, | | | _ |) | GRANTING IN |
| | | <u> </u> | | | |) | PART AND |
| | | | | | |) | DENYING IN |
| | | | | | |) | PART MOTION |
| | | | | | |) | TO COMPEL |

This matter comes before the Public Service Commission of South Carolina (the Commission) on the April 27, 1994, Motion to Compel filed by GTE South Incorporated (GTE). GTE moves this Commission for an Order compelling the South Carolina Public Communications Association (SCPCA) to answer certain discovery requests propounded by GTE. In the alternative, GTE moves that the testimony of SCPCA witness Gene Stewart be stricken.

SCPCA objected to each and every one of the seven interrogatories, and the three Requests for Production of Documents propounded upon it. For the reasons stated hereinafter, the Commission grants in part and denies in part the Motion to Compel.

As pointed out by GTE in its Motion, throughout the SCPCA testimony of Gene Stewart, the SCPCA alleges that its members are at a competitive disadvantage to GTE. GTE alleges that this testimony opens the door to GTE's need to inquire into matters

concerning competitive benefits held by Customer Owned Coin
Operated Telephones (COCOTs) over Local Exchange Carriers (LECs),
so that the Commission may have a complete picture of the
competitive advantages and disadvantages shared by each side of
the pay-telephone market. Given this premise, the Commission may
rule on whether or not SCPCA must answer the discovery propounded
by GTE.

With regard to Interrogatory No. 1, the Commission believes that, the Motion to Compel must be granted, since the propounded question is relevant to the issue of competitiveness of COCOTs and LECs. With regard to question No. 2, the Motion to Compel must be denied, since the question is not related to the competitiveness in the industry, but seems to address only the profits of the various members of the SCPCA. The Commission grants the Motion to Compel on Interrogatory No. 3(1), since this interrogatory goes to the issue of competitiveness. However, the Commission denies the Motion to Compel with regard to Interrogatory No. 3(2), since the question does not go to the issue of competitiveness. Commission grants the Motion to Compel with regard to Interrogatory No. 4, since again this goes to the issue of The Commission denies the Motion to Compel with competitiveness. regard to Interrogatory No. 5, since 5 does not seem relevant to the proceeding in the case at bar. Further, the Commission denies the Motion to Compel with regard to Interrogatory No. 6, since it seems to the Commission that answering this interrogatory would be burdensome to SCPCA. The Commission grants the Motion to Compel

with regard to Interrogatory No. 7, since this goes to the issue of competitiveness of COCOTs and LECs.

With regard to the Requests for Production of Documents, the Commission denies all three requests. With regard to Request for Production of Documents No. 1, the Commission believes that the request is burdensome, and further, it goes only to the issue of profitability of the COCOTS. It does not address the question of competitiveness. The Commission denies the Motion to Compel with regard to the Request for Production of Documents No. 2, since this seems irrelevant to the proceeding at bar. The Commission also denies the Request for Production of Documents No. 3, since it believes that the request is too broad, in that it includes information about other LECs, and therefore, is too broad for the case at bar. Also, accordingly, the Commission denies GTE's alternate motion to strike the testimony of Gene Stewart, since the Commission believes that it is relevant to the remaining issues in this case.

The Commission believes that the rulings as stated above are reasonable and constitute a good balance of the interests of the

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SCPCA and GTE in this proceeding. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

Executive Director

(SEAL)